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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

ANNUAL AUDITED REPORT
FORM X-17A-5
PART III

OMB APPROVAL	
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B- 66548

FEB 27 2015

Washington DC

FACING PAGE
Information Required of Brokers and Dealers Pursuant to Section 17 of the
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder

REPORT FOR THE PERIOD BEGINNING 01/01/14 AND ENDING 12/31/14
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Cobra Trading, Inc.

OFFICIAL USE ONLY

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

FIRM I.D. NO.

4800 Hedcoxe Road, Suite 300

(No. and Street)

Plano

(City)

TX

(State)

75024

(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT

Chadd Hensing

972-491-7999

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

CE & Co., L.L.P.

(Name - if individual, state last, first, middle name)

8750 N. Central Expwy., Ste. 300

(Address)

Dallas

(City)

TX

(State)

75231

(Zip Code)

CHECK ONE:

- ☒ Certified Public Accountant
☐ Public Accountant
☐ Accountant not resident in United States or any of its possessions.

FOR OFFICIAL USE ONLY

*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

SEC 1410 (06-02)

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

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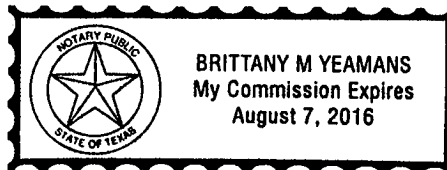
OATH OR AFFIRMATION

I, Chadd Hessing, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Cobra Trading, Inc., as of 12/31, 20 14, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

Chadd Hessing
Signature

President
Title

Brittany M Yeamans
Notary Public



This report ** contains (check all applicable boxes):

- ☒ (a) Facing Page.
- ☒ (b) Statement of Financial Condition.
- ☒ (c) Statement of Income (Loss).
- ☒ (d) Statement of Changes in Financial Condition.
- ☒ (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietors' Capital.
- ☒ (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
- ☒ (g) Computation of Net Capital.
- ☒ (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
- ☒ (i) Information Relating to the Possession or Control Requirements Under Rule 15c3-3.
- ☒ (j) A Reconciliation, including appropriate explanation of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3.
- ☐ (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation. N/A
- ☒ (l) An Oath or Affirmation.
- ☒ (m) A copy of the SIPC Supplemental Report.
- ☐ (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.

****For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).**



REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholder of
Cobra Trading, Inc.

We have audited the accompanying statement of financial condition of Cobra Trading, Inc. (the "Company") as of December 31, 2014, and the related statements of income, changes in stockholder's equity, changes in liabilities subordinated to claims of general creditors and cash flows for the year then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Cobra Trading, Inc. as of December 31, 2014, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The supplementary information contained in Schedules I, II and III (the "Supplemental Information") has been subjected to audit procedures performed in conjunction with the audit of the Company's financial statements. The computation of net capital and computation of reserve requirements and information relating to possession of control requirements are supplementary information required by Rule 17a-5 under the Securities Exchange Act of 1934. The computation of the minimum capital requirements are supplementary information required by regulations of the Commodity Futures Trading Commission. The NFA supplemental schedule-IB is supplementary information required by the rules of the National Futures Association. The Supplemental Information is the responsibility of the Company's management. Our audit procedures included determining whether the Supplemental Information reconciles to the financial statements or the underlying accounting and other records, as applicable and performing procedures to test the completeness and accuracy of the information presented in the Supplemental Information. In forming our opinion on the Supplemental Information, we evaluated whether the Supplemental Information, including its form and content is presented in conformity with 17 C.F.R. §240.17a-5 and Regulation 1.17 of the Commodity Exchange Act. In our opinion, the Supplemental Information is fairly stated, in all material respects, in relation to the financial statements as a whole.

A handwritten signature in black ink that reads 'CF & Co., L.L.P.'.

CF & Co., L.L.P.

Dallas, Texas
February 26, 2015

COBRA TRADING, INC.
Statement of Financial Condition
December 31, 2014

ASSETS

Cash and cash equivalents	\$ 273,978
Clearing deposit with broker-dealer	685,040
Receivable from broker-dealer	137,144
Property, equipment and leasehold improvements, net of accumulated depreciation of \$51,590	32,625
Other Assets	<u>30,716</u>
	<u>\$ 1,159,503</u>

LIABILITIES AND STOCKHOLDER'S EQUITY

Liabilities:

Accounts payable and accrued expenses	\$ 861,938
	<u>861,938</u>

Stockholder's equity:

Common stock, no par value, 100,000 shares authorized, 1,000 shares issued and outstanding	96,250
Retained earnings	<u>201,315</u>
Total stockholder's equity	<u>297,565</u>
	<u>\$ 1,159,503</u>

The accompanying notes are an integral part of these financial statements.

COBRA TRADING, INC.
Statement of Income
For the Year Ended December 31, 2014

Revenues:

Commissions	\$ 2,569,472
Interest income	339
Fee income	6,949,095
Miscellaneous income	152

Total Income	<u>9,519,058</u>
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Expenses:

Employee compensation and benefits	1,036,257
Brokerage and clearance fees	7,979,318
Communications	35,830
Occupancy and equipment costs	65,045
Promotional costs	2,234
Interest	348
Regulatory fees and expenses	178,520
Other expenses	208,683
Total operating expenses	<u>9,506,235</u>

Net income (loss) before income taxes	12,823
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Provision <benefit> for income taxes	<u>(337)</u>
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Net Income	<u><u>\$ 13,160</u></u>
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The accompanying notes are an integral part of these financial statements.

COBRA TRADING, INC.
Statement of Changes in Stockholder's Equity
For the Year Ended December 31, 2014

	<u>Shares</u>	<u>Common Stock</u>	<u>Retained Earnings</u>	<u>Total</u>
Balance at December 31, 2013	1,000	\$ 96,250	\$ 238,155	\$ 334,405
Net income			13,160	13,160
Distributions			(50,000)	(50,000)
Balance at December 31, 2014	<u>1,000</u>	<u>\$ 96,250</u>	<u>\$ 201,315</u>	<u>\$ 297,565</u>

The accompanying notes are an integral part of these financial statements.

COBRA TRADING, INC.
Statement of Changes in Liabilities Subordinated
to Claims of General Creditors
For the Year Ended December 31, 2014

Balances at December 31, 2013	\$	--
Increases		--
Decreases		--
Balances at December 31, 2014	\$	--

The accompanying notes are an integral part of these financial statements.

COBRA TRADING, INC.
Statement of Cash Flows
For the Year Ended December 31, 2014

Cash Flows from Operating Activities

Net income (loss)	\$ 13,160
Adjustments to reconcile net income (loss) to net cash provided (used) by operating activities:	
Depreciation	5,832
Change in operating assets and liabilities:	
Increase in clearing deposit with broker-dealer	(549,549)
Decrease in receivable from broker-dealer	272,911
Increase in other assets	(19,142)
Increase in accounts payable and accrued expenses	500,122
Net cash provided (used) by operating activities	<u>223,334</u>

Cash Flows from Investing Activities

Purchases of furniture and equipment	<u>(23,148)</u>
Net cash provided (used) by investing activities	<u>(23,148)</u>

Cash Flows from Financing Activities

Distributions	<u>(50,000)</u>
Net cash provided (used) by financing activities	(50,000)

Net increase (decrease) in cash and cash equivalents	150,186
Cash and cash equivalents at beginning of year	<u>123,792</u>
Cash and cash equivalents at end of year	<u><u>\$ 273,978</u></u>

Supplemental disclosures

Cash paid for:

Income taxes	<u>\$ --</u>
Interest	<u>\$ 348</u>

The accompanying notes are an integral part of these financial statements.

COBRA TRADING, INC.
Notes to Financial Statements
December 31, 2014

Note 1 - Organization and Nature of Business

Cobra Trading, Inc. (the "Company") was organized in June, 2004. The Company became a broker/dealer in securities registered with the Securities and Exchange Commission ("SEC") effective December 17, 2004, and is a member of the Financial Industry Regulatory Authority ("FINRA") and the National Futures Association ("NFA"). The Company operates under the exemption provisions of SEC Rule 15c3-3(k)(2)(ii) which provide that all funds and securities belonging to the Company's customers be handled by a clearing broker-dealer.

The Company's customers are primarily individuals trading securities through the Company's online portal.

Cash and Cash Equivalents

The Company treats money market mutual funds and all highly liquid debt instruments with original maturities of three months or less as cash equivalents for purposes of the statement of cash flows.

Property and Equipment

Property and equipment are stated at cost. Depreciation on office equipment and furniture is computed using the straight line method over useful lives of three to seven years.

Management Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Actual results could differ from those estimates.

Revenue Recognition

Commissions are recorded on the trade date basis. Fee income is reflected in the period services are performed.

Advertising Costs

All nondirect-response advertising costs are expensed as incurred. Advertising costs were \$2,234 for the year ended December 31, 2014.

Note 2 – Deposits with and Receivable from Clearing Broker-Dealer

Deposits with clearing broker-dealer include cash required to be maintained at the clearing broker-dealer for clearing and trading activities. Receivable from clearing broker-dealer is comprised of commissions. Such amounts are normally collected between five and thirty-five days after month end.

COBRA TRADING, INC.
Notes to Financial Statements (Continued)
December 31, 2014

Note 3 – Net Capital Requirements

Pursuant to the net capital provisions of Rule 15c3-1 of the Securities and Exchange Act of 1934, a minimum net capital requirement must be maintained, as defined under such provisions. Net capital and the related net capital ratio may fluctuate on a daily basis.

There were no material inadequacies in the computation of the ratio of aggregate indebtedness to net capital at December 31, 2014 and the procedures followed in making the periodic computations required. At December 31, 2014, the Company had net capital of \$234,224 and net capital requirements of \$57,463. The ratio of aggregate indebtedness to net capital was 3.68 to 1 at December 31, 2014. The Securities and Exchange Commission permits a ratio of no greater than 15 to 1.

Note 4 – Possession or Control Requirements

The Company does not have any possession or control of customers funds or securities. The Company follows the exceptions of Rule 15c3-3(k)(2)(ii) by promptly transmitting all customer funds and securities to the clearing broker who carries the customer accounts.

Note 5 – Federal Income Taxes

The Company, with consent of its stockholder, has elected under the Internal Revenue Code to be an S corporation. In lieu of corporation income taxes, the stockholders of an S corporation are taxed on their proportionate share of the Company's taxable income. Therefore, no provision or liability for federal income taxes has been included in these financial statements.

The Company files income tax returns in the US federal jurisdiction and in various state and local jurisdictions. The Company's federal income tax returns for all tax years ended on or after December 31, 2010, remain subject to examination by the Internal Revenue Service. The Company's state and local income tax returns are subject to examination by the respective state and local authorities over various statutes of limitation, most ranging from three to five years from the date of filing. Any interest or penalties associated with income taxes would be included as a component of income tax expense in the period in which the assessment arises.

Note 6 – Commitments and Contingencies

The Company is required to indemnify its clearing broker-dealers if a customer fails to settle a securities transaction, according to its clearing agreement. Management was neither aware, nor had it been notified of any potential indemnification loss at December 31, 2014.

The Company is involved in a dispute with one of its clearing brokers in the amount of approximately \$250,000 which arose at the end of 2014. The Company has not reflected the disputed amount and is vigorously disputing the charge. Management feels that the matter will be resolved with no liability to the Company.

Note 7 – Credit Risk

At December 31, 2014, and at various times throughout the year, the Company may have had cash balances in excess of federally insured limits.

COBRA TRADING, INC.
Notes to Financial Statements (Continued)
December 31, 2014

Note 8 – Property, Equipment and Leasehold Improvements

At December 31, 2014, the Company had the following property, equipment and leasehold improvements:

Leasehold improvements	\$ 3,590
Computer equipment	36,455
Office furniture, fixtures and equipment	<u>44,170</u>
	84,215
 Less: accumulated depreciation	 <u>51,590</u>
	 <u><u>\$ 32,625</u></u>

Depreciation expense during 2014 was \$5,832 and is included in occupancy and equipment expense.

Note 9 – Operating Lease

The Company leases office space under a lease expiring December 31, 2019. The Company's minimum lease commitment under the lease is as follows:

<u>Year Ending</u> <u>December 31</u>	
2015	\$ 46,654
2016	40,302
2017	42,541
2018	42,541
2019	<u>42,541</u>
	\$ 214,579

The Company incurred rent expense of \$48,906 during 2014 and is included in occupancy and equipment expense.

Supplemental Information Pursuant to Rule 17a-5
of the Securities Exchange Act of 1934, as of
December 31, 2014

Schedule I

COBRA TRADING, INC.
Computation of Net Capital Under Rule 15c3-1
of the Securities and Exchange Commission
As of December 31, 2014

Computation of Net Capital

Total ownership equity qualified for net capital \$ 297,565

Deductions and/or charges

Non-allowable assets:

Property & Equipment

\$ 32,625

Other assets

30,716

63,341

Net capital before haircuts on securities positions

234,224

Haircuts on securities (computed, where applicable,
pursuant to Rule 15c3-1(f)):

--

Net capital

\$ 234,224

Aggregate Indebtedness

Items included in statement of financial condition

Accounts payable and accrued expenses

\$ 861,938

Total aggregate indebtedness

\$ 861,938

Schedule I (continued)

COBRA TRADING, INC.
Computation of Net Capital Under Rule 15c3-1
of the Securities and Exchange Commission
As of December 31, 2014

Computation of Basic Net Capital Requirement

Minimum net capital required (6 2/3% of total aggregate indebtedness)	<u>\$ 57,463</u>
Minimum dollar net capital requirement of reporting broker or dealer	<u>\$ 5,000</u>
Minimum net capital requirement (greater of two minimum requirement amounts)	<u>\$ 57,463</u>
Net capital in excess of minimum required	<u>\$ 176,761</u>
Net capital less greater of 10% of aggregate indebtedness or 120% of minimum net capital	<u>\$ 148,030</u>
Ratio: Aggregate indebtedness to net capital	<u>3.68 to 1</u>

Reconciliation with Company's Computation

There were no material differences in the computation of net capital under Rule 15c3-1 from the Company's computation.

Schedule II

COBRA TRADING, INC.

Computation for Determination of Reserve Requirements Under
Rule 15c3-3 of the Securities and Exchange Commission
As of December 31, 2014

Exemptive Provisions

The Company has claimed an exemption from Rule 15c-3-3 under Section (k)(2)(ii), in which all customer transactions are cleared through another broker-dealer on a fully disclosed basis.

Clearing firm: Wedbush Securities; Interactive Brokers



REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM
ON MANAGEMENT'S EXEMPTION REPORT

To the Board of Directors and Stockholder of
Cobra Trading, Inc.

We have reviewed management's statements, included in the accompanying exemption report, in which (a) Cobra Trading, Inc. (the "Company") identified the following provisions of 17 C.F.R. § 15c3-3(k) under which the Company claimed an exemption from 17 C.F.R. § 240.15c3-3: (k)(2)(ii) (the "exemption provisions") and (b) the Company stated that the Company met the identified exemption provisions throughout the period from June 1, 2014 to December 31, 2014 without exception. The Company's management is responsible for compliance with the exemption provisions and its statements.

Our review was conducted in accordance with the standards of the Public Company Accounting Oversight Board (United States) and, accordingly, included inquiries and other required procedures to obtain evidence about the Company's compliance with the exemption provisions. A review is substantially less in scope than an examination, the objective of which is the expression of an opinion on management's statements. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to management's statements referred to above for them to be fairly stated, in all material respects, based on the provisions set forth in paragraph (k) (2)(ii) of Rule 15c3-3 under the Securities Exchange Act of 1934.

A handwritten signature in black ink that reads 'CF & Co., LLP'.

CF & Co., L.L.P.

Dallas, Texas
February 26, 2015



EXEMPTION REPORT DECEMBER 31, 2014

Comes now the firm and makes the following statements that we believe are true and accurate to the best of our knowledge and belief:

1. The firm is exempt from the provisions of §240.15c3-3(k)(2)(ii).
2. The firm met the identified exemption provisions in §240.15c3-3(k)(2)(ii) from June 1, 2014 to December 31, 2014, without exception.

A handwritten signature in black ink, appearing to read "Chadd Hessing", is positioned above the printed name and title.

Chadd Hessing
President

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON
PROCEDURES RELATED TO AN ENTITY'S SIPC ASSESSMENT RECONCILIATION
DECEMBER 31, 2014



REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM
ON THE SIPC ANNUAL ASSESSMENT

To the Board of Directors and Stockholder of
Cobra Trading, Inc.

In accordance with Rule 17a-5(e)(4) under the Securities Exchange Act of 1934, we have performed the procedures enumerated below with respect to the accompanying Schedule of Assessment and Payments ("Form SIPC-7") to the Securities Investor Protection Corporation ("SIPC") for the year ended December 31, 2014, which were agreed to by Cobra Trading, Inc., the Securities and Exchange Commission, Financial Industry Regulatory Authority, Inc. and SIPC, solely to assist you and the other specified parties in evaluating Cobra Trading, Inc.'s compliance with the applicable instructions of the Form SIPC-7. Management is responsible for Cobra Trading, Inc.'s compliance with those requirements. This agreed-upon procedures engagement was conducted in accordance with attestation standards adopted by the Public Company Accounting Oversight Board ("PCAOB"). The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures we performed and our findings are as follows:

1. Compared the listed assessment payments in Form SIPC-7 with respective cash disbursements records entries (cash disbursements journal) noting no differences;
2. Compared the amounts reported on the audited Form X-17A-5 for the year ended December 31, 2014 with the amounts reported in Form SIPC-7 for the year ended December 31, 2014 noting no differences;
3. Compared any adjustments reported in Form SIPC-7 with supporting schedules and working papers noting no differences; and
4. Proved the arithmetical accuracy of the calculations reflected in Form SIPC-7 and in the related schedules and working papers supporting the adjustments noting no differences.

We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on compliance. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the specified parties listed above and is not intended to be and should not be used by anyone other than these specified parties.

CF & Co., LLP
CF & Co., L.L.P.

Dallas, Texas
February 26, 2015

SIPC-7

33-REV 7-10

** Amended*
SECURITIES INVESTOR PROTECTION CORPORATION
P.O. Box 92185 Washington, D.C. 20090-2185
202-371-0300
General Assessment Reconciliation

SIPC-7

33-REV 7-10

For the Fiscal Year Ending 12/31/2014

File this form with the Working Copy of the Reconciliation Form

TO BE FILED BY ALL SIPC MEMBERS WITH FISCAL YEAR ENDINGS

Name of Member, address, Designated Examining Authority, 1934 Act registration number and month in which 1933 year ends (or address if the above requirements of SEC Rule 17a-9).

2020*****2870*****MIXED AADC 220
066548 FINRA DEC
COBRA TRADING INC
825 MARKET ST STE 240
ALLEN TX 75013-3775

Note: If any of the information shown on the
making last year's correction, please e-mail
any corrections to form@sipc.org and so
indicate on the form filed.

Name and telephone number of person to
contact regarding this form.

Chad Hession 930-491-7999

1. A General Assessment Item 25 from page 24

B. Less payment made # in SIPC-7 (add exclude interest)

7/23/14

Date Paid

C. Less prior overpayment applied

D. Assessment balance due (overpayment)

E. Interest computed on late payment (add taxover 2% ... days at 20% per annum)

F. Total assessment balance and interest due (or overpayment carried forward)

G. PAID WITH THIS FORM
Check enclosed, payable to SIPC
Total must be same as F above.

H. Overpayment carried forward

3. Subsequent (S) and predecessor(s) (P) included in this form (give name and 1934 Act registration number)

The SIPC member submitting this form and the
person by whom it is executed represent hereby
that all information contained herein is true, correct
and complete.

19th February 2015
20th January 2015

Cobra Trading Inc.

Chad Hession

President

This form and the assessment payment is due 60 days after the end of the fiscal year. Retain the Working Copy of this form
for a period of not less than 6 years, the latest 2 years in an easily accessible place.

SIPC REVIEWER

Date:

Signature:

Signature:

Signature:

Signature:

Signature:

DETERMINATION OF "SIPC NET OPERATING REVENUES" AND GENERAL ASSESSMENT

Amounts for the fiscal period
beginning 1/1/2014
and ending 12/31/2014

Item No.

1a Total revenue (FOCUS Line 12 Part IIA Line 9 Code 4030)

Eliminate cents

\$ 9,540,185 9.59.058

2a Additions

1. Total revenues from the securities business of a member except foreign sales taxes and predecessor's not included above
2. Net loss from principal transactions in securities including accounts
3. Net loss from principal transactions in commodities including accounts
4. Interest and dividend expense deducted in determining net 2a
5. Net loss from management of or participation in the underwriting or distribution of securities
6. Expenses other than advertising, printing, registration fees and legal fees deducted in determining net profit from management of or participation in underwriting or distribution of securities
7. Net loss from securities investment accounts

Total additions

5385

2c Deductions

1. Revenues from the distribution of shares of a registered open end investment company or unit investment trust, from the sale of variable annuities from the business of insurance from investment advisory services rendered to registered investment companies or insurance company separate accounts, and from transactions in security futures products
2. Revenues from commodity transactions
3. Commissions, floor brokerage and clearance paid to other SIPC members in connection with securities transactions
4. Reimbursements for postage in connection with proxy solicitation
5. Net gain from securities in investment accounts
6. 100% of commissions and markups earned from transactions in (i) certificates of deposit and (ii) Treasury bills, bankers acceptances or commercial paper that mature nine months or less from issuance date
7. Direct expenses of printing, advertising and legal fees incurred in connection with other revenue related to the securities business (revenue defined by Section 16(b)(1) of the Act)
8. Other revenue not related either directly or indirectly to the securities business.
(See Instruction C.)

5385

7,992,997.997.318

Deductions in excess of \$100,000 require documentation

- 2b 1. Total interest and dividend expense (FOCUS Line 22 Part IIA Line 13 Code 4075 plus line 2b44 above, but not in excess of total interest and dividend income)

239

- 2b 2. 40% of margin interest earned on customers securities accounts (40% of FOCUS Line 5, Code 3660)

\$

Enter the greater of line 2b 1 or 2b 2

239

Total deductions

7,992,643 7.995.042

3a SIPC Net Operating Revenues

\$ 1,541,041.534.016

3b General Assessment 7 0024

\$ 3855 3835

10 0024 1. 1. 2. 3.

**Supplemental Information Pursuant to Regulation 1.17
of the Commodity Futures Trading Commission
For the Year Ended December 31, 2014**

Schedule III

COBRA TRADING, INC.
Computation of Net Capital Under Regulation 1.17
of the Commodity Futures Trading Commission
As of December 31, 2014

COMPUTATION OF ADJUSTED NET CAPITAL

Total ownership equity qualified for net capital		\$ 297,565
Deductions and/or charges		
Non-allowable assets:		
Property & Equipment	\$ 32,625	
Other assets	30,716	63,341
		<hr/>
Net capital before haircuts on securities positions		234,224
Haircuts on securities (computed, where applicable, pursuant to Rule 15c3-1(f)):		<hr/>
		--
Adjusted Net capital		234,224
Net Capital Required		<hr/>
		45,000
Excess Net Capital		<hr/>
		\$ 189,224

Independent Auditors Report on Internal Control
Required by SEC Rule 17a-5 and
CFTC Regulation 1.16



REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM
ON INTERNAL CONTROL

To the Board of Directors and Stockholder of
Cobra Trading, Inc.

In planning and performing our audit of the financial statements and supplemental information of Cobra Trading, Inc. (the "Company"), as of and for the year ended December 31, 2014, in accordance with auditing standards generally accepted in the United States of America, we considered the Company's internal control over financial reporting ("internal control") as a basis for designing our auditing procedures for the purpose of expressing an opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we do not express an opinion on the effectiveness of the Company's internal control.

Also, as required by Regulation 1.16 of the Commodity Futures Trading Commission ("CFTC"), we have made a study of the practices and procedures followed by the Company, including consideration of control activities for safeguarding firm assets. This study included tests of such practices and procedures that we considered relevant to the objectives stated in Regulation 1.16 in making the periodic computations of minimum financial requirements pursuant to Regulation 1.17.

The management of the Company is responsible for establishing and maintaining internal control and the practices and procedures referred to in the preceding paragraph. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of controls, and of the practices and procedures referred to in the preceding paragraph, and to assess whether those practices and procedures can be expected to achieve the CFTC's previously mentioned objectives. Two of the objectives of internal control and the practices and procedures are to provide management with reasonable but not absolute assurance that assets for which the Company has responsibility are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in conformity with generally accepted accounting principles. Regulation 1.16(d)(2) lists additional objectives of the practices and procedures listed in the preceding paragraph.

Because of inherent limitations in internal control and the practices and procedures referred to previously, error or fraud may occur and not be detected. Also, projection of any evaluation of them to future periods is subject to the risk that they may become inadequate because of changes in conditions or that the effectiveness of their design and operation may deteriorate.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Company's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control was for the limited purpose described in the first and second paragraphs and would not necessarily identify all deficiencies in internal control that might be material weaknesses. We did not identify any deficiencies in internal control and control activities for safeguarding securities and firm assets that we consider to be material weaknesses, as defined above.

We understand that practices and procedures that accomplish the objectives referred to in the second paragraph of this report are considered by the CFTC to be adequate for its purposes in accordance with the Commodity Exchange Act and related regulations, and that practices and procedures that do not accomplish such objectives in all material respects indicate a material inadequacy for such purposes. Based on this understanding and on our study, we believe that the Company's practices and procedures, as described in the second paragraph of this report, were adequate at December 31, 2014, to meet the CFTC's objectives.

This report is intended solely for the information and use of the Company's stockholder, Board of Directors, management, the CFTC, the National Futures Association, Financial Industry Regulatory Authority, and other regulatory agencies that rely on Regulation 1.16 of the CFTC in their regulation of registered brokers and dealers, and is not intended to be and should not be used by anyone other than these specified parties.

CF & Co., LLP

CF & Co., L.L.P.

Dallas, Texas
February 26, 2015